Gas from abroad

†2438. SHRI SHREEGOPAL VYAS: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether international conditions are hindrance in obtaining gas from neighbouring countries;

(b) the names of the countries from where gas is expected to be obtained as per the agreements with each country and the time when it would be obtained; and

(c) the expected percentage of contribution of gas in total energy by the end of this Five Year Plan?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) In order to enhance energy security of the country, import of natural gas is being pursued from Iran and Turkmenistan through Iran-Pakistan-India (IPI) Gas Pipeline Project and Turkmenistan-Afghanistan-Pakistan-India (TAPI) Gas Pipeline Project respectively. Various important issues concerning the Projects are under discussion amongst the participating countries. Such multilateral projects involve protracted discussions, as all the aspects have to be carefully examined and deliberated upon to the satisfaction of the participating countries to protect each country's interests and to avoid any problems in the future in the successful operation of the projects. Implementation of the Project(s) will start only after satisfactory resolution of the issues under discussion amongst the countries participating in the Project(s).

India is importing gas in the form of Liquefied Natural Gas (LNG). Petronet LNG Limited (PLL) has signed a contract with RasGas, Qatar in July 1999 for import of 7.5 million metric tonnes per annum (mmtpa) LNG for a period of 25 years. As per the contract, supply of 5 mmtpa LNG commenced in 2004 and the supply of balance 2.5 mmtpa LNG would commence in 2009. PLL also has a short-term contract with RasGas Qatar for supply of 1.5 mmtpa LNG till September 2009. Further, spot LNG is being sourced from various countries.

(c) As per the Eleventh Plan document brought out by the Planning Commission, considering 9% GDP growth and timely materialization of the projects during the plan period, the share of natural gas in energy supplies in the terminal year of Eleventh Five Year Plan, *i.e.*, 2011-12, is likely to be 15-16%.

Price of imported gas

2439. SHRI N. R. GOVINDARAJAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the current status of the progress on piped natural gas from Iran;

(b) whether it is a fact that price of gas from Iran is expected to be around $ 12/MM BTU;

---

†Original notice of the question was received in Hindi.

(c) if so, the details thereof;

(d) whether our country can afford such a high price for gas;

(e) whether it is also a fact that the price of Liquified Natural Gas (LNG) being imported from Qatar by Gas Authority of India Ltd. (GAIL) is going to be increased; and

(f) if so, the details thereof and the steps taken by Government to keep this price stable?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) India is pursuing the import of natural gas from Iran through Iran-Pakistan-India (IPI) Gas Pipeline Project. Various important issues, including pricing of gas, are under discussion amongst the participating countries.

(b) to (d) Do not arise in view of (a) above.

(e) GAIL is not importing any LNG from Qatar. However, Petronet LNG Limited (PLL) imports LNG from Qatar. GAIL is one of the offtakers of this gas for marketing.

PLL has signed a contract with RasGas, Qatar in July 1999 for import of LNG. As per the contract, the price of LNG is linked to the Japan Custom Cleared Crude (JCC) price. However, it has been kept fixed for the initial 5 years, *i.e.*, from 2004 to 2008. From January 2009, the price if LNG would vary on month to month basis depending on the crude price variations.

Further, PLL also has a short-term contract with RasGas Qatar for supply of 1.5 mmtpa LNG till September 2009. However, the present price is valid only till December 2008. The price for the remaining period of the contract, *i.e.*, January-September 2009, would be re-negotiated.

In addition, LNG is also being imported by PLL from Qatar through spot market. However, price of LNG purchased from spot market depends on the prevailing market conditions.

(f) Price of LNG procured under term contracts is as per mutually agreed pricing formula agreed between the buyer and the seller. Government took a decision that the price of Re-gasified Liquefied Natural Gas (RLNG) procured under term contracts should be non-discriminatory and that a uniform pooled price should be charged from existing and new consumers; accordingly, this Ministry issued orders on March 6, 2007. RLNG procured under term contracts is being supplied on a pooled price basis *w.e.f.* August 29, 2007.

Price of LNG purchased from spot market depends on the prevailing market conditions.

Paradeep Oil Refinery project

2440. SHRI RAMACHANDRA KHUNTIA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state: